

It is really growing out of control. And what it does, we made a policy decision several years ago in this Congress that we would not allow commercial firms to operate banks, and this will really enforce that policy decision that we made.

As they have grown in size and nature and complexity, several not only regulatory but policy issues have been presented, not only to the Congress, but to the regulators. One of the concerns, as the subcommittee Chair and the chairman have both referred to, is a concern over mixing banking and commerce, which is really not what the American financial system is all about. Japan and other systems have allowed a mixing of commerce and banking, and we are evolving, but they have run into problems. We would like to avoid those problems.

An exemption in the current law permits any type of company, including a commercial firm, to acquire an ILC in six States. We want to close that loophole. We want to stop that.

Let me conclude by saying I do have one concern, and I am going to have a colloquy with the chairman in a moment. But I am concerned that this bill, and it is not intended and I know the chairman has said previously we hope to address this in the Senate or in conference, but I am concerned that it may discriminate against our domestic automobile manufacturing dealers.

The reason I say that is most automobile companies today, including the large foreign automobile manufacturers, have set up ILCs. General Motors has set up an ILC. But Chrysler and Ford do not have ILCs. And, as drafted today, the bill would allow the foreign automobile manufacturers as well as GM, and I am going to clarify that in the colloquy, to continue their ILCs. However, Ford and Chrysler, or DaimlerChrysler, which may end up to be Chrysler, does not have an ILC.

I am concerned not only that that is a disadvantage to the automobile companies but to the Nation's dealers that sell Ford and Chrysler products. People are going into this every day, they are thinking ILCs give them a competitive advantage, and I don't want to see Chrysler and Ford shut out of having an opportunity to have this advantage.

As the process moves forward, I would like to work with both the chairman and the ranking member to ensure the legislation does not create an unlevel playing field that harms our domestic automobile industry.

At this time, I would like to pose a question to the chairman.

Under the committee reported bill, Chairman FRANK, a number of firms that already controlled industrial banks before January 29, 2007, are grandfathered from the new prohibition on control of industrial banks by commercial firms. The grandfathered firms that control a particular industrial bank are subject to a disposition agreement with the FDIC that is affected by the outcome of this legisla-

tion. Under the agreement, the FDIC has the power to waive the disposition requirement, depending on the state of the law, in 2008.

My question is whether it is the committee's intention that the decision to grandfather these firms supercedes this particular prior agreement and makes a waiver unnecessary, provided the grandfathered firms abide by all of the limitations imposed on grandfathered firms and operate under the supervision of the appropriate Federal supervisory agency.

Mr. FRANK of Massachusetts. If the gentleman would yield to me, let me say, and I want to pay tribute to members of the staffs on both sides, Mr. Paese and Mr. Yi on my side here, who did a lot of negotiating. There are a lot of regulators involved here, the FDIC as the primary regulator, but the Federal Reserve and the Securities and Exchange Commission, the Comptroller, and we did the best we could to try and not have this be a means of changing existing relationships.

So I can assure the gentleman from Alabama that he has precisely stated our intent. When we grandfathered these firms in this bill, it was our purpose and is our purpose to let them continue to operate the existing industrial banks under the limitations of the bill and under the supervision of each grandfathered firm's appropriate supervisory agency.

So I hope that would respond to the question. It is our intention essentially to ratify the existing arrangements by law, which would, of course, preclude the need for a waiver if the law is clear about what it does.

Mr. BACHUS. Chairman, your response does indeed clarify the situation, and I thank you for doing that. And I again thank you and the gentleman from Ohio (Mr. GILLMOR) for their work on this important bill.

I would also like to join with you. You have both praised Chairman Bair, and I think she has done an exceptional job of trying to sort through this difficult situation. And I would also like to commend the OTS and the Federal Reserve for working a compromise on some of the supervisory questions that were presented by this bill. Late last week, they came to an agreement between themselves.

Mr. FRANK of Massachusetts. If the gentleman would yield. With some encouragement.

Mr. BACHUS. Yes, and I appreciate that encouragement; and I know they do, too.

At this time, I again commend the chairman. I think this is a very good bill that deserves the support of all the membership.

Mr. GILLMOR. Mr. Speaker, I yield back the balance of my time.

Mr. FRANK of Massachusetts. I just want to respond to my good friend from Utah. He made an interesting point which is, well, if these are terrible, why don't you abolish them? That, of course, becomes a Catch-22. I

guarantee you that if we had proposed in fact to abolish or severely restrict existing ones, he would have been justifiably a lot less happy than he is today.

□ 1530

Congress made a decision. We don't always make the best decisions when we look back; we often make good decisions, but not perfect ones. We believe it would be unfair to undo what was originally done by law.

I would note again that even in the State of Utah, which has become the primary focal point for the industrial loan corporations, 93 percent of the entities functioning as industrial loan corporations in Utah would be unaffected by this bill. They would be able to expand because they meet the 85 percent financial test.

As to the others, we believe that it is those who have finally figured out the potential of the industrial loan corporation going forward who are trying to change things. People have said to us, well, there's been no problem. Why are you doing this? Well, for once, maybe not once, let's not be too self-denigratory, we're doing this to get ahead of the problem. Yes, that's precisely the case. The ILCs have not caused problems. It is the, I believe, overwhelming view of people here and people who have watched the banking business and who believe in the separation of banking and commerce that if we don't act, we will see some problems. So that is what we are doing here. And I hope that this bill passes with a large margin, and we can pretty soon engage with our colleagues in the Senate about putting a final product on the desk of the President.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts (Mr. FRANK) that the House suspend the rules and pass the bill, H.R. 698, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. FRANK of Massachusetts. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

#### LEONARD W. HERMAN POST OFFICE

Mr. DAVIS of Illinois. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1722) to designate the facility of the United States Postal Service located at 601 Banyan Trail in Boca Raton, Florida, as the "Leonard W. Herman Post Office".

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1722

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. LEONARD W. HERMAN POST OFFICE.**

(a) DESIGNATION.—The facility of the United States Postal Service located at 601 Banyan Trail in Boca Raton, Florida, shall be known and designated as the “Leonard W. Herman Post Office”.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the “Leonard W. Herman Post Office”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. DAVIS) and the gentlewoman from North Carolina (Ms. FOXX) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois.

**GENERAL LEAVE**

Mr. DAVIS of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I might consume.

As a member of the House Committee on Oversight and Government Reform, I'm pleased to join my colleague in the consideration of H.R. 1722, which names the postal facility in Boca Raton, Florida, after Leonard W. Herman.

H.R. 1722, which was introduced by Representative ROBERT WEXLER on March 27, 2007, was reported from the Oversight Committee on May 1, 2007, by a voice vote. This measure, which has been cosponsored by 24 Members, has the support of the entire Florida congressional delegation.

Mr. Leonard Herman was a bombardier in the United States Army, and he flew numerous missions over Germany during World War II. He displayed heroic actions and earned high honors and several distinguished medals for his bravery.

Perhaps one of Mr. Herman's greatest achievements was his contribution in seeking to save the lives of thousands of “survivors” of German concentration camps who were dying because of the lack of adequate food, clothing and medical supplies. According to accounts by Professor Robert L. Hilliard, “Leonard Herman took it upon himself to advise and seek help from many of our government leaders regarding the plight of the survivors. His efforts were instrumental in President Truman's learning about displaced persons' situations in the U.S.-occupied Germany. The President changed U.S. policy and issued orders to provide the assistance and materials needed by the Holocaust survivors. Lieutenant Herman played an important role in saving thousands of these lives.”

And so, Mr. Speaker, I commend my colleague, Representative ROBERT WEXLER from Florida, for introducing this legislation, and I urge swift passage.

Mr. Speaker, I reserve the balance of my time.

Ms. FOXX. Mr. Speaker, I yield myself as much time as I may consume.

It is an honor for me to speak today about a true American hero who epitomized bravery and loyalty to his country. Leonard Herman was a decorated World War II veteran who helped save the lives of his fellow servicemen, as well as thousands of civilian victims of the war. He was also instrumental in bringing appropriate attention to President Truman regarding the needs of Holocaust survivors and other displaced persons.

Leonard Herman served as a bombardier with the U.S. Army and flew in countless combat missions over Germany. Honoring his country, he proudly completed two tours of duty. Among his awards are the Purple Heart, the Air Medal, three Oak Leaf Clusters, and the Distinguished Flying Cross. Fighting against heavy enemy fire, his valiant skills as a bombardier directly saved the lives of his fellow crewmen on repeated occasions.

During the war he saw firsthand the plight of his fellow Jews, the Holocaust survivors, and urgently began a letter-writing campaign to senior U.S. Government officials, as well as to President Truman.

Through his determination, U.S. policies towards these victims and other displaced persons were enacted so as to provide the food, shelter and clothing they desperately needed to begin new lives.

Today we honor Leonard Herman for his great service to his country and his humanitarian achievements by naming this post office for him.

Mr. WEXLER. Mr. Speaker, I rise to honor a distinguished and decorated Jewish war veteran, Mr. Leonard Herman, by naming the postal facility at 601 Banyan Trail in Boca Raton, Florida, as the Leonard W. Herman Post Office. Mr. Herman signed up for two tours of duty during World War II, serving as First Lieutenant from December 12, 1942 through January 29, 1946. His courage during the war and the tenacity with which he fought, after the war, to change U.S. policy towards the survivors and displaced persons of concentration camps makes him a real American hero.

As a bombardier in the United States Army, Leonard Herman flew numerous combat missions over Germany and committed numerous acts of bravery that helped save countless lives. On October 8, 1943, he shot down an enemy fighter aircraft as it closed in on his plane. This courageous act saved his crewmen and earned him the Distinguished Flying Cross Award. In addition, the heroism he displayed during his tour won him several high honors, including an Air Medal, three Oak Leaf Clusters and the Purple Heart.

Perhaps one of Mr. Herman's greatest achievements was his contribution to the efforts of a few young soldiers, including his

brother Edward Herman, who sought to save the lives of thousands of “survivors” of German concentration camps who continued to die because of the lack of adequate food, clothing and medical supplies. According to the accounts of Professor Robert L. Hilliard, “Lt. Leonard Herman took it upon himself to advise and seek the help from many of our government leaders regarding the plight of the survivors. His efforts were instrumental in President Truman's learning about the Displaced Persons situation in U.S. occupied Germany. The President changed U.S. policy and issued orders to provide the assistance and material needed by the Holocaust survivors. Lt. Herman played an important role in saving thousands of their lives.”

It is my greatest honor to sponsor this legislation that will recognize Mr. Leonard Herman for his bravery and service to this country. The Post Office designation is a fitting and long overdue tribute. I urge Members of the Committee to support this bill.

Mr. Speaker, I yield back the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, to close, I want to commend the gentleman from Florida for introducing this resolution. We have no further speakers, and I would yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. DAVIS) that the House suspend the rules and pass the bill, H.R. 1722.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. DAVIS of Illinois. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

**STAFF SERGEANT OMER “O.T.”  
HAWKINS POST OFFICE**

Mr. DAVIS of Illinois. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2078) to designate the facility of the United States Postal Service located at 14536 State Route 136 in Cherry Fork, Ohio, as the “Staff Sergeant Omer ‘O.T.’ Hawkins Post Office”.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2078

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. STAFF SERGEANT OMER T. “O.T.”  
HAWKINS POST OFFICE.**

(a) DESIGNATION.—The facility of the United States Postal Service located at 14536 State Route 136 in Cherry Fork, Ohio, shall be known and designated as the “Staff Sergeant Omer T. ‘O.T.’ Hawkins Post Office”.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the “Staff Sergeant Omer T. ‘O.T.’ Hawkins Post Office”.